



Government Purchase Card (GPC) Up To **\$25,000**

Cardholder/Approving Official Training



Introduction

This presentation does not replace the basic Government Credit Card training but supplements it. This briefing is required for Cardholders AND Billing Officials who will receive authority to make purchases over \$3,000_

CURRENT GPC USES

- To procure supplies and services valued up to \$3,000

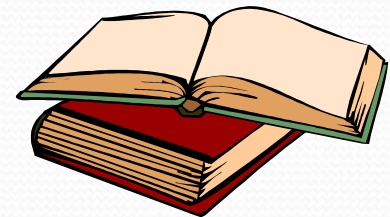


- For acquisitions of construction subject to the Davis-Bacon Act, \$2,000

DFARS 213.301

Simplified Acquisition Procedures

- An Individual with proper delegations may use the GPC to make purchases that exceed the micro-purchase threshold up to \$25,000 if the purchase:
 - Is made outside the United States for use outside the United States
 - Is for a commercial item; but



DFARS 213.301

Simplified Acquisition Procedures

- **Is not for work to be performed by employees recruited within the United States;**
- **Is not for supplies or services originating from, or transported from or through Cuba, Iran, Iraq, Libya, North Korea or Sudan;**
- **Is not for ball or roller bearings as end items;**
- **Does not require access to classified or Privacy Act information;**
- **Does not require transportation of**



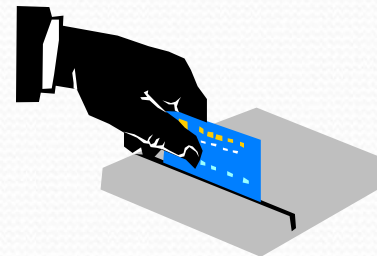
GPC USE UP TO \$25K

DFARS 213.301

Simplified Acquisition Procedures

The individual making the purchase:

- Is authorized and trained in accordance with agency procedures
- Complies with FAR 8.001 (Mandatory Sources) when making the purchase
- Seeks maximum practicable competition for the purchase in accordance with FAR 13.104(b) (solicit at least three sources)



DFARS 213.301

Simplified Acquisition Procedures

- Commercial item procurement
 - A commercial item is any item other than real property, that is of a type customarily used for non-governmental purposes and that -
 - has been sold, leased or licensed to the general public; or
 - has been offered for sale, lease or license to the general public
- Construction and repair is not considered as a Commercial Item.

DFARS 213.301

Simplified Acquisition Procedures

- The procuring of commercial services will be coordinated with each servicing RCO.
 - The DFARS term includes:
 - Installation services
 - Maintenance services
 - Repair of equipment services
 - Training services
- As long as services are procured in support of a commercial item



DFARS 213.301

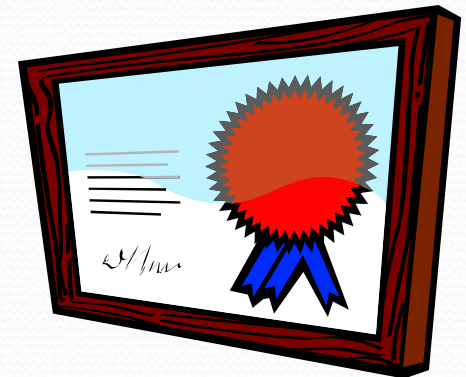
Simplified Acquisition Procedures

- Purchase of Services is not recommended:
 - Difficult to get a Firm Fixed Price
 - No contractual binding statement of work
 - Disputes subject to standard commercial practices

\$25K

IMPLEMENTATION

- Appointment letter for Delegation of purchase authority IAW DFARS 213.301
 - Issued by Director of Contracting to cardholder by name
 - Contains authority, limitations & requirements
 - Requires acknowledgement of receipt



TRAINING REQUIREMENTS

- Law, Regulations, Policies, Procedures
- Required Source of Supply and Service
- Simplified Acquisition Procedures
- File Documentation Requirements
- Maximum practicable Competition



Required Source of Supply and Service

- IAW FAR Part 8.001, agencies shall satisfy requirements for supplies and services from or through priority sources prior to purchasing on the open market

Ability 1 Program

- Use of the GPC OCONUS up to \$25K, require Cardholders to comply with the JWOD Act.
- Compliance with JWOD can be accomplished by purchasing items of supplies and services identified by the SKILCRAFT trademark.

WWW.abilityone.org

- Non-availability from Ability one on-line must be determined prior to purchase of a product from any other source.
- Determine if a product is available from Ability One by accessing Ability one on-line at **www.abilityone.org**
- Print out non-availability as file documentation.

JWOD Sources of Supply

- On-line ordering with www.abilityone.org
- GSA Advantage
- GSA Federal Supply
- SSSC / Uncle Sam Club



Federal Supply Schedule (FSS) Program

- Directed and Managed by GSA
- www.fss.gsa.gov
- A simplified process for purchasing commercial supplies and services at prices associated with volume buying.

MAXIMIZING COMPETITION

- The FAR requires Full and Open Competition when acquiring supplies and services
 - Solicit at least three sources to promote competition to maximum extent
 - When possible, solicit two sources not solicited on previous purchase



MAXIMIZING COMPETITION

ABSTRACT OF OFFERS	PVC PIPE		
5000 FT			
1/4 IN WALL THICKNESS			
CUT INTO 25 FT LENGTHS			
	<u>PIPES R US</u>	<u>WE LIKE PIPE</u>	<u>CRAPZ PLUMBING</u>
	5000 FT @ \$1.25 PER FT = \$6250	5000 FT @ \$1.20 PER FT = \$6000	5000 FT @ \$1.30 = \$6500
	LABOR (CUTTING) - 200 SECTIONS @ \$.50 EA = \$100	LABOR (CUTTING) - 200 SECTIONS @ \$1.00 = \$200	
	TOTAL = \$6350	TOTAL = \$6200	TOTAL = \$6500
	WE LIKE PIPE SELECTED FOR PURCHASE - LPTA		

MAXIMIZING COMPETITION

ABSTRACT OF OFFERS	PVC PIPE		
5000 FT 1/4 IN WALL THICKNESS CUT INTO 25 FT LENGTHS MUST RECEIVE DELIVERY BY 30 OCT 2010			
	PIPES R US	WE LIKE PIPE	CRAPZ PLUMBING
	5000 FT @ \$1.25 PER FT = \$6250	5000 FT @ \$1.20 PER FT = \$6000	5000 FT @ \$1.30 = \$6500
	LABOR (CUTTING) - 200 SECTIONS @ \$.50 EA = \$100	LABOR (CUTTING) - 200 SECTIONS @ \$1.00 = \$200	
	TOTAL = \$6350	TOTAL = \$6200	TOTAL = \$6500
	100% DELIVERY BY 30 OCT 10	4000 FT DELIVERY BY 30 OCT 10; 1000 FT DELIVERY BY 10 NOV 10	100% DELIVERY BY 30 OCT 10
	PIPES R US SELECTED FOR PURCHASE - LPTA; CAN MEET REQUIRED DELIVERY DATE		

MAXIMIZING COMPETITION

ABSTRACT OF OFFERS	PVC PIPE		
5000 FT 1/4 IN WALL THICKNESS; 200 PSI CAPACITY CUT INTO 25 FT LENGTHS			
	<u>PIPES R US</u>	<u>WE LIKE PIPE</u>	<u>CRAPZ PLUMBING</u>
	5000 FT; 1/4 IN THICK; 175 PSI @ \$1.25 PER FT = \$6250	5000 FT; 1/4 IN THICK; 175 PSI @ \$1.20 PER FT = \$6000	5000 FT; 1/4 IN THICK; 210 PSI @ \$1.30 = \$6500
	LABOR (CUTTING) - 200 SECTIONS @ \$.50 EA = \$100	LABOR (CUTTING) - 200 SECTIONS @ \$1.00 = \$200	
	TOTAL = \$6350	TOTAL = \$6200	TOTAL = \$6500
	CRAPZ PLUMBING SELECTED FOR PURCHASE - LP; MEETS TECHNICAL REQUIREMENTS		

DOCUMENTING PRICE REASONABLENESS

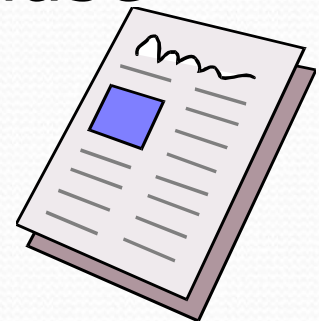
- Before award, the cardholder shall determine and document that the proposed price is fair and reasonable:
 - Base price reasonableness on competitive quotes
 - If only one response is received, include a statement of price reasonableness in purchase file, the statement may be based on:
 - Market research
 - Comparison of proposed price with price found reasonable on previous purchases



DOCUMENTING PRICE

REASONABLENESS CONT'D

- Current price lists, catalogs, or advertisements
 - Comparison with similar items in a related industry
 - Your personal knowledge of the item being purchased
 - Any other reasonable basis
- Document the Determination of Price Reasonableness for each purchase made.



MAXIMIZING COMPETITION

ABSTRACT OF OFFERS	PVC PIPE		
5000 FT 1/4 IN WALL THICKNESS; 200 PSI CAPACITY CUT INTO 25 FT LENGTHS			
	PIPES R US	WE LIKE PIPE	CRAPZ PLUMBING
	5000 FT; 1/4 IN THICK; 200 PSI @ \$1.25 PER FT = \$6250	DOES NOT SUPPLY THIS TYPE OF PIPE	NO RESPONSE
	LABOR (CUTTING) - 200 SECTIONS @ \$.50 EA = \$100		
	TOTAL = \$6350		
	PIPES R US SELECTED FOR PURCHASE -	PRICE REASONABLNESS DETERMINED BY REVIEW OF INTERNET WEB SITES OF COMPANIES PROVIDING SIMILAR PRODUCTS, BUT NOT LOCATED IN THE AREA.	

MAXIMIZING COMPETITION

- Sole Sources are permitted in cases of:
 - Extreme Urgency
 - Impossible to acquire from another source



FILE DOCUMENTATION & REPORTING REQUIREMENTS

- Reporting requirements

- General rule

- GPC purchases under \$3,000 are reported to DOD by US Bank

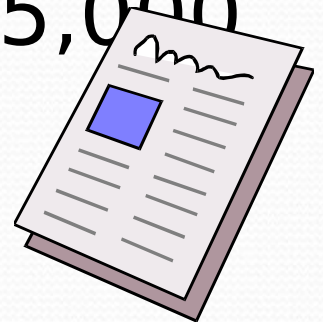


- **GPC actions between \$3,000 and \$25,000 are reported by the A/OPC.**



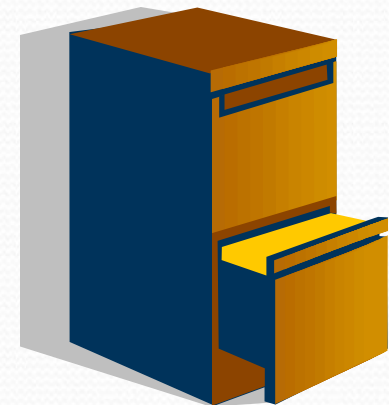
FILE DOCUMENTATION & REPORTING REQUIREMENTS

- Reporting requirements (continued)
- Reporting will be completed as follows:
 - Actions \$3,000.01 to \$10,000
 - Actions \$10,000.01 to \$25,000



FILE DOCUMENTATION & REPORTING REQUIREMENTS

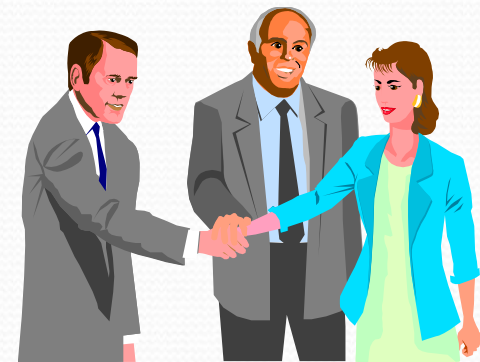
- Complete the “ABSTRACT OF OFFERS” with names/phone numbers of sources contacted
- File retention - maintain documentation for 6 years and 3 months after purchase date.



STANDARD OF CONDUCT

STANDARD OF CONDUCT

- GPC cardholders (U.S.) must comply with DOD 5500.7-r
- Acknowledgement of receipt of appointment letter constitutes willingness to comply with standards of conduct



PROPERTY ACCOUNTABILITY

● Property Accountability

- All non-expendable personal property items and all durable items purchased by GPC must be reported to the appropriate accountable officer for inclusion in government property books
- Contact property book officer (PBO) to determine whether item is accountable property



OVERSIGHT

- Oversight
 - Level IV APC will:
 - Conduct surveillance of 100% of cardholder transactions between \$3,000 - \$25,000 at a minimum on semi-annual basis (every 6 months)



SUMMARY OF KEY POINTS

- The purchase must be made for use OCONUS by OCONUS cardholder.
- Purchases between \$3,000 - \$25,000 require competition IAW FAR 13.104 and 13.106 when purchases are not made from Mandatory Sources

SUMMARY OF KEY POINTS CONT'D

- Cardholders must document purchases using provided forms
- Cardholders must report purchases monthly to RCO APC
- APCs will conduct 100% surveillance of purchases